



REC'D TN
REGULATORY AUTH.

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January 16, 1998

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Guy M. Hicks
General Counsel

OFFICE OF THE
EXECUTIVE SECRETARY

VIA HAND DELIVERY

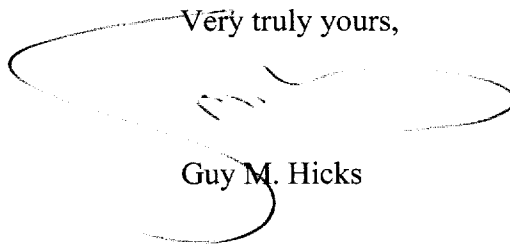
David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37238

Re: *BellSouth Telecommunications, Inc.'s Entry Into Long Distance
(InterLATA) Service in Tennessee Pursuant to Section 271 of the
Telecommunications Act of 1996*
Docket No. 97-00309

Dear Mr. Waddell:

Enclosed are the original and thirteen copies of the Notice of Filing of BellSouth Telecommunications, Inc., together with the supporting documentation required pursuant to the April 3, 1997 Report and Recommendation adopted by the TRA. A copy has been provided to counsel of record.

Very truly yours,



Guy M. Hicks

GMH:ch

Enclosure

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee**

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REGULATORY AUTH.

**In Re: *BellSouth's Entry Into Long Distance (InterLATA) Service in
Tennessee Pursuant to Section 271 of the
Telecommunications Act of 1996***

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OFFICE OF THE
EXECUTIVE SECRETARY

Docket No. 97-00309

**BELLSOUTH TELECOMMUNICATIONS, INC.'S
NOTICE OF FILING**

I. INTRODUCTION

Pursuant to the April 3, 1997 Report and Recommendation adopted by the Tennessee Regulatory Authority ("TRA"), BellSouth Telecommunications, Inc. ("BST") respectfully files the following for consideration by the TRA: (1) BST's Final Statement of Generally Available Terms and Conditions ("Statement"); and (2) a draft of the application that BellSouth Corporation ("BellSouth") expects to file with the Federal Communications Commission ("FCC") for authority to provide interLATA telecommunications services in Tennessee, including all supporting documentation.

II. DISCUSSION

A. Statement of Generally Available Terms and Conditions

BST is filing herewith its Final Statement, which, under 47 U.S.C. § 252(f)(3), the TRA will have sixty (60) days to review. BST respectfully requests that the TRA approve the Statement pursuant to Section 252(f) as being in compliance with both Sections 251 and 252 of the Telecommunications Act of 1996.

Although BST anticipated that the Final Statement would be identical to the draft Statement that was filed on December 12, 1997, the Statement has been revised to address certain issues raised by the FCC in its recent decision in *In re: Application of BellSouth*

Corporation, et al. Pursuant to Section 271 of the Communications Act of 1934, as amended, To Provide In-Region, InterLATA Services in South Carolina, CC Docket 97-208 (Dec. 24, 1997). The Statement also has been revised to incorporate performance measurement requirements recently imposed upon BST by the Georgia Public Service Commission in *Consideration of the Procedural and Scheduling Order to Adopt Performance Measurements For Telecommunications Interconnection, Unbundling and Resale*, Docket No. 7892-U (Dec. 30, 1997). In addition, several revisions have been made to conform the Statement to rulings of the TRA and to clarify certain offerings. Consistent with the April 3, 1997 Report and Recommendation, BST is providing a redlined version of the Statement reflecting all of the changes that have been made.

B. Draft FCC Application And Supporting Documentation

As required by the April 3, 1997 Report and Recommendation, BST is filing herewith a draft of its FCC application and all supporting documentation, which consists of the following:

- (1) Draft Brief in Support of Application of BellSouth for Provision of In-Region, InterLATA Services in Tennessee;
- (2) Draft Affidavits of Dennis M. Betz (BST Section 272 compliance); Guy Cochran (BST Section 272 compliance); Richard J. Gilbert (Public Interest Test); John R. Gunter (Public Interest Test -- Impossibility of Technical Discrimination); Jerry A. Hausman (Public Interest Test); David P. Scollard (Checklist compliance -- Billing Systems); Victor E. Jarvis (BSLD Section 272 compliance); David A. Kettler (Manufacturing Relief); W. Keith Milner (Checklist compliance); D. John Roberts (Public Interest Test --No Risk of Predatory Pricing); Richard L. Schmalensee (Public Interest Test); William N. Stacy (Checklist compliance -- Operations Support Systems); William N. Stacy (Checklist compliance -- Performance Measurements); Alphonso J. Varner (Checklist compliance/BST Section 272 compliance); and Gary M. Wright (Local Competition); and
- (3) Copies of interconnection and resale agreements approved by the TRA, together with copies of the TRA orders approving such agreements, where available, and copies of BST's agreements with PCS providers in Tennessee.

BellSouth also expects to file with the FCC a copy of the administrative record in *In re: Petition to Convene a Contested Case Proceeding to Establish "Permanent Prices" For Interconnection and Unbundled Network Elements*, Docket No. 97-01261 as well as the entire record in this proceeding, which would include the evidence, orders and other documents filed in the arbitrations conducted by the TRA. BST is not filing copies of these materials with this Notice because this proceeding is not yet concluded.

The vast majority of information contained in the draft FCC application and supporting documentation was previously furnished to the TRA in connection with BST's December 12, 1997 Notice of Filing. However, some of the materials previously provided have changed in form, content, and substance, and, consistent with the April 3, 1997 Report and Recommendation, such changes have been redlined. Specific changes that BST would like to bring to the TRA's attention include the following:

First, in its December 12, 1997 filing, BST furnished the TRA with a copy of the Affidavit of George F. Agerton, which had been filed with the FCC in connection with BellSouth's application for interLATA authority in Louisiana. The matters in Mr. Agerton's Affidavit, which concern BST's compliance with Section 272 of the Telecommunications Act of 1996, are now covered in Mr. Betz's Affidavit.

Second, in its December 12, 1997 filing, BST furnished the TRA with a copy of the Affidavit of David Hollett, which had been filed with the FCC in connection with BellSouth's application for interLATA authority in Louisiana. The matters in Mr. Hollett's Affidavit, which concern BST's billing systems and their compliance with the competitive checklist, are now covered in Mr. Scollard's Affidavit.

Third, in its December 12, 1997 filing, BST furnished the TRA with a copy of the Affidavit of Glenn A. Woroch, which had been filed with the FCC in connection with BellSouth's application for interLATA authority in Louisiana. Mr. Woroch's Affidavit discussed entry into the local exchange market in Louisiana, which included a review of various interconnection agreements negotiated with competitive local exchange companies in Louisiana. Presently, BellSouth does not intend to file a similar affidavit with the FCC in connection with its application for interLATA authority in Tennessee. Should those plans change, however, BST will promptly furnish the TRA with a copy of any such affidavit, consistent with BST's "good faith continuing obligation to update its Section 271 application with respect to any changes, revisions, or additions."

Other modifications have been made to the information previously furnished to the TRA, which constitute new arguments or involve a substantial difference in volume, thereby making redlining impractical. These modifications are as follows:

First, in support of its Statement, BST has filed the testimony of W. Keith Milner. Mr. Milner's testimony discusses the items offered by BST through the Statement and their functional availability for purposes of checklist compliance. BellSouth expects to file with the FCC an Affidavit from Mr. Milner addressing those same issues, a draft of which is being filed herewith. The information in Mr. Milner's Affidavit and the exhibits thereto is substantially the same as the information in his prefiled testimony and accompanying exhibits, although the latter is substantially larger in volume. Mr. Milner's Affidavit and the exhibits thereto also have been updated to reflect the most recent data available.

Second, in support of its Statement, BST has filed the testimony of Gloria Calhoun, who addresses BST's Operational Support Systems ("OSS"). When BellSouth files its

Section 271 application with the FCC, OSS issues will be addressed in an Affidavit of William Stacy, a draft of which is being filed herewith. Because OSS development is an ongoing process and system enhancements are continually being added, Mr. Stacy's Affidavit includes new information not reflected in Ms. Calhoun's testimony, including: (1) a review of BST's OSS by Ernst & Young dated December 16, 1997 (Stacy Affidavit ¶ 2); (2) modifications to BST's procedures concerning reservation of telephone numbers (Stacy Affidavit ¶ 27); capabilities of BST's EC-Lite Interface, which was implemented in December 1997 (Stacy Affidavit ¶¶ 6-9, 15-18, 23-27, 34-38, and 41; Stacy Exhibits 1, 5, 6, 17, 20, 21, and 22); and (4) the most recent data available concerning OSS usage (Stacy Affidavit ¶¶ 122-126 & 142; Stacy Exhibits 38, 39, and 40).

In response to the FCC's South Carolina decision, Mr. Stacy's Affidavit also provides information about certain OSS issues that are either not addressed in Ms. Calhoun's testimony or are addressed in only a limited fashion, including: (1) rejects and mechanized error notification (Stacy Affidavit ¶¶ 77-81); (2) electronic jeopardy notifications (Stacy Affidavit ¶¶ 82-89); (3) OSS testing, including review by IBM of BST's approach to volume testing (Stacy Affidavit ¶ 128; Stacy Exhibit 42), the results of BST's testing with MCI (Stacy Affidavit ¶ 134; Stacy Exhibit 33), and testing procedures for the Electronic Communications Trouble Administration Gateway (Stacy Affidavit ¶ 140); (4) BST's Direct Order Entry ("DOE") system, which BST uses for business customers in Florida, Georgia, North Carolina, and South Carolina (Stacy Affidavit ¶¶ 8-9, 12, 17-22, 24-26, 29-31, 35-38, and 49-50; Stacy Exhibits 3, 9, 12, 15); (5) OSS system training and documentation (Stacy Affidavit ¶ 146 & 149; Stacy Exhibits 46); and (6) BST's Local Carrier Service Center ("LCSC") ((Stacy Affidavit ¶ 144; Stacy Exhibit 43).

Third, in support of its Statement, BST has filed the testimony of Jerry Moore, who addresses the issue of performance measurements. When BellSouth files its Section 271 application with the FCC, the issue of performance measurements will be addressed in an Affidavit of William Stacy, a draft of which is filed herewith. After Mr. Moore's testimony was filed, both the FCC and the Georgia Public Service Commission issued decisions that addressed performance measurements proposed by BST. In response to those decisions, BST has substantially revised its performance measurements proposal as set forth in Mr. Stacy's Affidavit.¹

Fourth, Alphonso Varner has submitted prefiled testimony in support of BST's Statement. Mr. Varner also is expected to file an Affidavit in connection with BellSouth's application for interLATA authority in Tennessee, a draft of which is filed herewith. Mr. Varner's Affidavit addresses issues that are not dealt with in his prefiled testimony and addresses other issues in greater detail, including: (1) BST's policy on geographically deaveraged prices (Varner Affidavit ¶ 24); (2) BST's policy regarding Access Customer Terminal Location ("ACTL") moves (Varner Affidavit ¶ 46); (3) the recombination of unbundled network elements (Varner Affidavit ¶ 66); (4) testing of BST's provisioning of unbundled elements in Florida and Kentucky (Varner Affidavit ¶ 67); (5) provisioning of unbundled loops served by integrated digital loop carrier technology (Varner Affidavit ¶ 83); (6) complaints raised by ACSI (Varner Affidavit ¶¶ 91-95); (7) complaints raised by AT&T (Varner Affidavit ¶ 103); (7) the implementation of intraLATA toll dialing parity (Varner Affidavit ¶ 187; Varner

¹ Because of the changes in BST's proposed performance measurements as a result of the decisions of the FCC and the Georgia Commission, BST proposes to withdraw Mr. Moore's original testimony and to file revised testimony that will reflect the proposals set forth in Mr. Stacy's draft Affidavit. BST intends to file promptly with the TRA a motion to that effect.

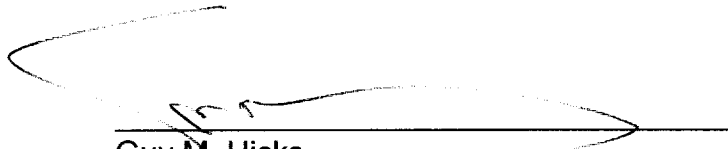
Exhibit 4); (8) BST's compliance with Section 272 of the Telecommunications Act of 1996 (Varner Affidavit ¶¶ 190-219); (9) BST's customer "winback" policy (Varner Affidavit ¶ 222); (9) BST's provisioning of intraLATA toll service (Varner Affidavit ¶ 226); and (10) BST operating independently from its Section 272 affiliates (Varner Affidavit ¶ 227). In addition, BST's Collocation Handbook and Collocation Master Agreement have been updated, and the most recent versions are attached as Exhibit 3 to Mr. Varner's Affidavit.

Finally, BellSouth intends to file with the FCC the Affidavit of Gary Wright, a draft of which is being filed herewith. Mr. Wright is responsible for documenting the progress of BST's facility-based competitors in deploying their networks in BST's region and to monitor their marketing activities across BST's nine-state region. In his draft Affidavit, Mr. Wright addresses current competitive activity in Tennessee, including information concerning the future plans and market entry schedules for competitors that have announced their intent to participate in the local exchange market in Tennessee. Mr. Varner's prefiled testimony also addresses the issue of current competitive activity in Tennessee. However, the competitive information in Mr. Wright's Affidavit is substantially more voluminous than that contained in Mr. Varner's testimony.²

² Much of the information in Mr. Wright's affidavit is customer proprietary information that BST is required to treat as confidential. Likewise, several exhibits to Mr. Milner's and Mr. Stacy's Affidavits contain proprietary customer information. This information will be filed at the FCC subject to a protective order, and BST is filing a motion herewith for entry of a protective order and for leave to file proprietary customer information subject to that order.

Respectfully submitted,

BellSouth Telecommunications, Inc.

A handwritten signature in black ink, appearing to read "Guy M. Hicks", is written over a horizontal line.

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CERTIFICATE OF SERVICE

I hereby certify that on January 16, 1998, a copy of the foregoing document was served on the parties of record, via facsimile, hand delivery, overnight or U. S. Mail, postage pre-paid, addressed as follows:

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